

## VITA Savings Report as of July 7, 2004

Initiative	FY 04 Savings	FY 05 Savings	FY 06 Savings	Six-Year Baseline Benefit
Voice and data telecommunications contract extension (ATM T-1 Circuits)*	\$528,000	\$528,000	\$528,000	\$3,168,000
Conversion of Unix and Oracle contractors to full-time positions	\$132,000	\$132,000	\$132,000	\$792,000
Efficient tape technology stacking and replacement	\$173,000	\$108,000	\$108,000	\$713,000
Telecommunications MCI contract (COVANET)*	\$1,542,000	\$3,085,000	\$3,085,000	\$16,967,000
Streamline 1-800 voice services	\$2,000	\$103,000	\$103,000	\$517,000
Streamline cellular usage*	\$524,000	\$1,333,000	\$1,333,000	\$7,189,000
Storage media reverse auction	\$59,000	\$352,000	\$352,000	\$1,819,000
SAG software contract renegotiation	\$8,000	\$32,000	\$32,000	\$168,000
Sun server procurement	\$484,000	\$0	\$0	\$484,000
<b>Subtotal, Gross Savings</b>	<b>\$3,452,000</b>	<b>\$5,673,000</b>	<b>\$5,673,000</b>	<b>\$31,817,000</b>

In addition to the above cost savings, estimated cost avoidances associated with additional initiatives are:

Software Licenses	\$495,000	\$615,000	\$615,000	\$3,570,000
Server Acquisitions	\$380,000	\$380,000	\$0	\$760,000
Virginia Partners in Procurement – Hardware and Software	\$8,913,000	\$9,723,000	\$9,723,000	\$57,528,000
Virginia Partners in Procurement – Computer Peripherals and Enterprise Storage	\$0	\$2,821,000	\$2,821,000	\$14,105,000
<b>Subtotal, Cost Avoidance</b>	<b>\$9,788,000</b>	<b>\$13,539,000</b>	<b>\$13,159,000</b>	<b>\$75,963,000</b>

<b>Total, Gross Savings &amp; Cost Avoidance</b>	<b>\$13,240,000</b>	<b>\$19,212,000</b>	<b>\$18,832,000</b>	<b>\$107,780,000</b>
--	---------------------	---------------------	---------------------	----------------------

\*Savings associated with these initiatives are included in the Governor's FY04/06 submitted budget to be withdrawn from the agencies' budgets.

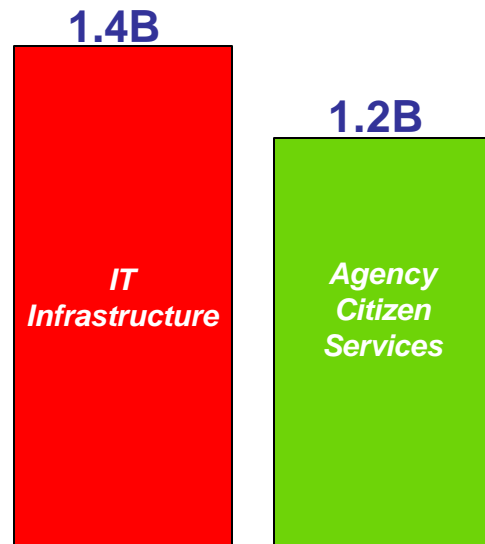


Virginia Information Technologies Agency



## VITA Transformation - The Value Picture

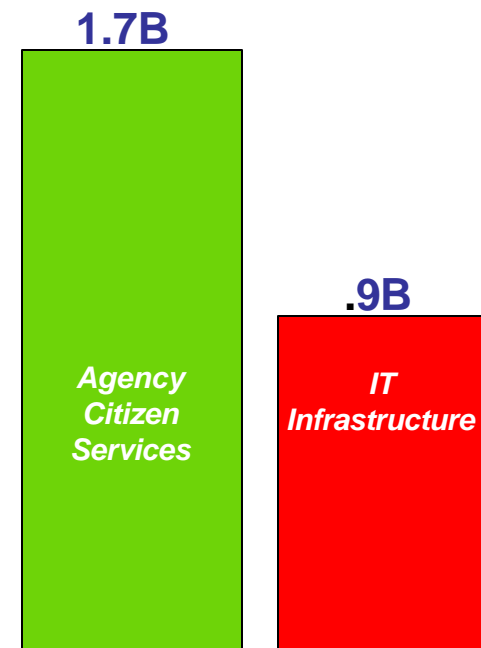
TODAY



6 YR Baseline



TOMORROW



***"Best Quality Service & Best Value"***